

FINELINE

OCTOBER 2008

Brandon Payne Photography

www.finance.utah.gov

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FY 2008 Budgeted Reserves and Surplus

The Division of Finance has released the FY 2008 General Fund and combined Education Fund and Uniform School Fund preliminary surplus numbers. The State ended the year with a zero dollar surplus by using \$29.4 million General Fund reserves and \$52.3 million of the Education/Uniform School Fund reserves, budgeted to be used for FY 2009, to cover revenue shortfalls that occurred in FY 2008. These preliminary numbers are subject to change until the FY 2008 audit has been completed.

General Fund Free Revenues

The General Fund free revenues are used to cover the general operating budget of the State. General Fund free revenues were \$30.2 million below FY 2008 estimates. The largest negative variance was in sales tax, which was \$56 million less than projected. Beer, cigarette, and tobacco taxes were \$4.1 million below estimates. However, not all General Fund free revenues were less than the adopted estimate. Oil and gas severance taxes remained strong with \$12 million more than estimated. Investment income was \$6.8 million greater than expected. The liquor profit was \$59 million, \$1.8 million above estimates. The cable/satellite excise tax and miscellaneous transfers make up the remaining \$9 million of General Fund free revenues that exceeded estimates. Agencies lapsed \$2.1 million to the General Fund and \$38.6 million to restricted funds or accounts. There was no overspending of budgets in the General Fund except for a \$359 thousand deficit in the Juror and Witness Fees line item, which is authorized to overspend its budget.

Education, Transportation Revenues

Individual income taxes and the gross receipts tax were \$105.3 million less than the adopted estimate. However, corporate taxes were \$40.1 million greater than expected. Escheats (unclaimed property) and other miscellaneous education revenues were \$12.9 million more than projected. The Uniform School Fund carried \$142.8 million in non-lapsing funds. The Transportation Fund ended the year with a \$260 million surplus, had \$26.5 million in non-lapsing funds and lapsed \$145 million to the Transportation Fund.

Thanks to the Agencies

We appreciate the dedication of all the agencies in completing the closing process accurately and within the established time lines. If you have any feedback or suggestions for improving the closing process, please forward them to Marcie Handy, mhandy@utah.gov or 801-538-1678. The entire report may be viewed at the Division's home page www.finance.utah.gov. Click on the Financial Reporting link, and then the FY 2008 Financial Highlights link.

**FY 2008 Budgeted
Reserves & Surplus**

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Trainers Corner



Photo courtesy KSL

Budget Cuts



Recording FY 09 Beginning Balances and Budget Cuts in FINET

Most state agencies were impacted by a 4% budget cut as State legislators recently held a special session and addressed the \$81.7 million shortfall in last year's revenues and the \$272 million projected revenue shortfall in the current year. Public education was spared during this special session; however, higher education was not immune to the 4% budget cut that most state agencies received.

Within the next week, Gene Baird, State Budgetary Compliance Officer, will contact state agencies and request that the budget and accounting officer establish the beginning fiscal year 2009 balances in FINET. In addition, agencies will need to adjust fiscal year 2009 appropriation and expense budgets for the budget cuts made in the special session. Please follow the instructions noted below.

Recording FY 09 Original Beginning Balances

Record the original FY 09 beginning balances separately in FINET from any beginning balance cuts from the legislative special session. To record your original and actual FY 09 beginning balances, please enter BGAA transactions using Event Type **BG04**. Please do not combine these beginning balance entries with any other miscellaneous budget transactions and round all amounts to the nearest whole dollar. If you have any questions as to the exact amount of your beginning balances, please contact Gene Baird at 538-3115 or gbaird@utah.gov.

As the audit of fiscal year 2008 has not been completed, there is the possibility that some non-lapsing amounts could change as the result of audit adjustments. Should this happen it will be necessary at some point in the future to enter an additional BGAA transaction to correct your budget.

Recording FY 09 Beginning Balance Cuts and On-going Budget Cuts

Please enter separate BGAA transactions in FINET to record any reduction in your FY 09 beginning balances. Also, record the reduction of ongoing budgets on separate BGAA transactions. These amounts should agree to the supplemental appropriations in Senate Bill 2001 from the 2008 Special Session. Use Event Type **BG03** to modify appropriated state funds. Use Event Type **BG31** to modify appropriated collections (dedicated credits, federal revenue).

Remember that Expense Budgets (BGE44) and Revenue Budgets (BGR45) should also be entered as needed to keep them in balance with Appropriation Budgets.

Please notify Gene Baird at gbaird@utah.gov when you have appropriation budgets ready to be approved and include a brief explanation as to why the budget is being modified. Please reference the bill and line item numbers when setting up supplemental appropriations.



Help Desk FAQs

by Ken Roner

Q.

Is there somewhere I could look up information on payments to see whether checks have been issued and that show the check numbers? I also want to know if they have cleared the bank.

A.

Yes there is. There is a feature in Data Warehouse know as OLAJ+. This is the online accounting journal. You can get most of that information there. You will have to go to the warrant lookups (by check number) to see whether or not a check has cleared the bank.

What to do?

Has Check Been Issued?

Go to the new StateDW **Data Warehouse** to look up items from 2007 to the present. Go to Web Queries and then to the Online Accounting Journal. Once you bring it up, go to the bottom of the screen and click on the 'reset criteria' button (unless you do the very same query each time with only minor changes). The top area allows you to determine your search criteria. You can enter such things as your department, unit and any other coding. You can also search by specific documents or ranges of documents. You can search by vendor number or vendor name (but you must know exactly how it is spelled). You can also narrow the search by period.

In the bottom section, you will find several FINET fields already checked. Those items will show on the query when you click on the 'run query' button. Be sure to check the Check/EFT Number field so you will get the check number when you run your query.

After you run your query, you can click on the 'export' button at the bottom of your query to move all the data to an Excel spreadsheet where you will be able to format and sort the data any way you would like.

Has Check Cleared Bank?

To see if a check has cleared the bank, go back to the main Data Warehouse page and then click on Warrant Lookups. You can then choose whether to search by GAX/PRC, check number, invoice number, vendor number or vendor name. Most users choose to search by check number. Enter the search criteria and then click on 'run query'. When you get your data, look in the 2nd column labeled 'Bank Clear Date'. If there is a date there, that is the date the check cleared the bank. If there is no date, the check has not cleared the bank.

This is part one of how to look up payables information. Next month will be part two and how to look this same information up in FINET.

Purchase Orders Training



Larry Simpson, Finance Trainer

This is part three in a series highlighting the training provided by the Division of Finance. In last month's article we highlighted the Payables training. This month we will highlight the Purchase Orders training.

The Purchase Orders training focuses on the documents that record the intention to make a purchase. These purchase order documents also record an encumbrance (future obligation to pay for the items if they are received.)

FINET documents used for this purpose include:

- PO – Centralized Purchase Order
- DO – Delivery Order
- PG – Decentralized Purchase Order
- GAE – General Accounting Encumbrance
- MA – Master Agreement (The MA does not record an encumbrance but documents the existence of a contract.)

We provide two separate courses for Purchase Order training.

On-line Course

The Procurement course provides an overview of the Purchasing process and includes in-depth coverage of the each document identified above. It provides the foundation and is a prerequisite for the instructor-led course described below. Students will also learn

- How to find and use commodity and vendor information
- When and how to process Purchase Order documents
- How to locate and use a Master Agreement to create a purchase order document
- How to find information about processed purchase order transactions

The Procurement on-line course is available from the Division of Finance web site at www.finance.utah.gov, select Training from the horizontal menu, then FINET Courses, online courses, and Purchase Orders.

Instructor-led Class

The Instructor-led class builds on the information in the on-line course and then focuses on exercises to practice each document. The exercises allow students to apply the concepts learned in the on-line course and practice processing documents in a safe environment. The course lasts approximately 4 hours.

Instructor-led classes are delivered using our remote training software (iLinc) so you can participate from your own location. You need no additional software on your computer as long as you are within the state's firewall. If you are outside of the state firewall you can work with your DTS staff to install VPN software to obtain access.

The class includes practice exercises with the following documents:

- PO – Centralized Purchase Order
- DO – Delivery Order
- PG – Decentralized Purchase Order
- GAE – General Accounting Encumbrance
- MA – Master Agreement

The Purchase Orders instructor-led class is offered monthly. You can register for the next class from the Division of Finance web site at www.finance.utah.gov, select Training from the horizontal menu, then choose Purchase Orders under Current Offerings. Follow the screen instructions to register.



Brook McElmurry Finance Trainer

T R A I N E R S



C O R N E R

October/ November FINET Classes

Internal Transactions

10/15 8 am – noon

Receivables

10/16 8 am – noon

Payables

10/16 1 pm – 5 pm

Cash Receipts

10/21 8 am – noon

Requisitions

10/21 1 pm – 5 pm

Inventory

10/22 8 am – 5 pm

Budgeting

10/23 8 am – noon

FINET Practice Sessions

Mondays 2 pm – 4 pm

Internal Transactions

11/4 1 pm – 5 pm

Purchase Orders

11/5 8 am – noon

Requisitions

11/5 1 pm – 5 pm

Budgeting

11/12 8 am – noon

Payables

11/12 1 pm – 5 pm

Receivables

11/13 8 am – noon

Cash Receipts

11/18 8 am – noon

Fixed Assets

11/20 8 am – noon

FINET Practice Sessions

Mondays 2 pm – 4 pm

TO REGISTER:

Link to: <http://www.apps.finance.utah.gov:8090/quest/finet/syllabus/syllabus.htm>. Course descriptions are available from the Finance Home Page at <http://www.finance.utah.gov>. Click on the Training button.